1939. **File No.** 255/36 II

P.W. **DEPARTMENT**

[illegible] & **BRANCH**

Subject:— Travelling allowance Orders in con. with -

BK 1939

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File No. 255/36 II

Ed. Scott. Slip. 24 A-

G.P K.—J H 3 ,50,000 - 5.54
G R .G. D No 2168. dated 22-6-22.]

Correspondence

Sectt 78 A e

DOCKET SHEET (B)

Subject:—

File No. 255/36 II

P.W. DEPT.

E. BRANCH.

References:—

Date.	To whom sent.	Notes instructions,

The Bombay travelling allowance rules are becoming intolerably complex for both the executive officers and ourselves to administer. I think it is time we suggested an adequate scheme for ~~siplifying~~ Simplifying the administration of the travelling allowance rules. The following note sketches out a possible line of approach, which I wish to be considered and criticised by office during the next month or two so that I may make my proposals before I demit charge.

2 The traveling allowance rules of all Governments are complicated because they have proceeded by elaborating the already complex rules of the Civil Service Regulations, as they stood before the Provinces began to make their own, about 1920 . The Government of India have at various times drawn up tentative schemes departing from these traditions. but nothing has yet come of them. Mr. Badenoch did so as Accountant General, Posts and Telegraphs, and I more or less simultaneously in the Finance Department, but their consideration was laid aside during the retrenchment compaign of 1931 -32, and as far as I know has never resumed. Our ideas, as far as I remember them, were much the same, Viz. the substitution of actual fares or expenses for inclusive rates. The Bombay system introduces the further complication of combining the two ideas, namely the giving of inclusive rates subject to actual expenses.

3. The first reform I have in mind is the unification of all mileage rates whether journeys are made by rail, road, or river steamer- into one rate just sufficient on the average to yield actual expenses. There is a practical reason for such a change namely, the change in the habits of touring officers. In Civil Service Regualation days, officers moved leisurely by road with tents, horses, camels and a staff of servants; and to cover the expenses of these, they were given, in the case of first grade officers, a mileage rate of about 8 annas. Nowadays, as far as I can discover in Bombay, tents are rarely used, halts are made in Government bungalows, tours are shorter and quicker,

..... and.....

~~great~~ and great use is made of motor bus services and lorries for transporting kit as well as of private mechanical conveyances, whereby much longer distances can be covered at comparatively little increased expense. There seems some reason for believing that the prime costs of moving by road are now no more on the average than the corresponding railway fares. Where, however, officers maintain their own conveyance, they must be recompensed for their overhead costs; and the method of doing so already exists in the widespread permanent travelling allowances of the Bombay rules. That permanent travelling allowance is calculated now to cover both the costs of journeys and the differential expenses of absence from headquarters. There is no reason, however, why the transit element should not be isolated from the halt element, and the former fixed at a rate sufficient to cover overheads on conveyances and such camp equipage as is still essential in so far as that is not covered by the coexisting tentage allowances. My suggested reform in this respect therefore is to fix a uniform mileage allowance for all modes of travel whatsoever, plus a fixed monthly allowance for touring equipment including conveyances, tents and camp furniture,. There would thus be no need to enquire how an officer travelled or who travelled with him. He would be paid a flat mileage on his actual mileage as approved by his countersigning officer, and a monthly sum to meet the cost of his equipment as well.

4. The second aspect of my suggested reform is in daily allowance. At present, there is great confussion over exchanging daily for mileage allowance, over the 5 miles radius, and such other connected questions. The method I seek to substitute is one whereby officers will ~~received~~ a flat rate for every six hours' absence from headquarters. The general idea is that a quarter of the approved daily rate should be given for every six hours' absence from headquarters or fractions of 6 hours exceeding 4. Absence for less than

four hours.....

four hours at a time does not necessarily involve meals ~~for~~ servants outside headquarters, and therefore there is no reason for paying for non-existent differential expenses. Travelling allowance bills are usually drawn up monthly, and the officer would get quarter of daily rate for every six hours' absence from headquarters during the month, provided that no absence of less than four consecutive hours should count towards this total . There would thus be no need to divide the month into days.

5. I do not anticipate much trouble over the theory of this system. Practical difficulties will occur not in regard to the mass of officers who habitually tour out in regard to those who tour very seldom, such as Secretaries to Government, and who therefore cannot be given monthly allowances for maintaining touring equipment; but it should not be impossible to devise special rates for them on the daily basis. Only an analysis of facts will show what would be reasonable flat rates of mileage (I should abolish the 5 miles radius and give mileage for every completed mile of journey away from the officers usual place of work) for the various classes of touring officers. I hazard a guess that 2½ annas a mile, or possibly three, would suffice for first grade officers and include the transport of their servants as well. Similarly, for halting allowance, Rs. 1-8-0 or Rs. 2 for every six hours period would seem sufficient with possibly enhanced rates for journeys in jungle tracts.

6. Will office proceed on these ideas and let me have their preliminary notes by the end of April ?

S/- W. R. Tennat,
2-4-37.
Accountant General.

Superintendent, H. A. Section.

The ordinary touring officers monthly bill would thus be:—

(a*) Touring Equipment allowance say Rs. 75 per month

(d) X Miles travelled on duty to and from his usual place of official work (other than journeys to and from his house) at ¼ anna. X x Y ~~annas~~ annas.

(c)...T.....

(c) Periods of absence from his head quarters p hours in the month of which q hours represent absence of less than 4 consecutive hours each, then.

$\frac{p - q}{6}$ x $\frac{\text{Daily rate}}{4}$ would yield .. Z.

Almost all certificates could then disappear from tour bills; but not from transfer bills which would need separate consideration.

Sd/- W. R. Tennant,
2-4-37

Accountant General.

Evrv.

Accountant General's Office,
Bombay.

I forward a note containing my ideas on possible reforms in the rules governing travelling allowances. These rules as they stand occupy disproportionate space, are complex in themselves and tedious to apply alike in executive offices and in audit. Simplification is worth while on account merely of the time and money spent in their administration; and moreover the rules are overdue for reform. In substance they have descended from the elaborate rules of the Civil Service Regulations which grew up over half a century in circumstances widely differing from those of the present day, and many of them now obsolete. Any attempt at reform must therefore tackle the problem logically on present day facts.

2. An ideal system of travelling allowances would be one which recompensed reasonably each Government servant for his enhanced expenses in touring on official business. Statutory rules, however, must operate generally and not individually; and the first problem is to consider the generic heads under which these allowances should logically be classified. There seem to be three sources of expense (a) the differential cost of subsistance outside headquarters; (b) the cost of moving; and (c) the cost of purchasing and maintaining the requsite touring equipment. In actual practive there has been contamination between these heads, e.g. both daily and mileage allowances include elements, of recompense for the supply and upkeep of touring equipment, whereas certain allowances now given to cover touring equipment, such as conveyance allowances, include some element for travelling and halting.

3. I deal first with the most difficult element of expense to measure accurately - that of purchasing and maintaining touring equipment, in which I include vehicles, animals, camp kit, and tentage; and possibly too, some allowance for extra servants necessitated by touring . The first question is whether Government undertake responsibility for these overhead expenses.

I find.....

....

I find in the note to Bombay Civil Services Rule 387 that the pay of a Government servants is supposed to include the cost of upkeep of such means of conveyance as are necessary for his ordinary duties; but there seem to be numerous departures in practice from this dictum in the interest ~~of chief~~ chiefly of the more lowly paid officials. Even if this dictum is taken as absolute. Government implicity admit that the Government servant's responsibility extends to maintenance only ~~and~~ and not to the original cost of conveyances. Thus the Government servant can legitimately claim recompense for the capital he has sunk in providing the means of conveyance he has no choice but maintain for the proper discharge of his touring duties; and by equitable analogy for his camp kit also, but not for what may be called his revenue expenditure in maintaining them. Thus, if we can find a fair means of determining the monthly equivalent or annuity needed to meet capital expenditure on such vehicles and animals within their average life, we should reach a correct monthly allowance to meet the capital cost of touring equipment. In practice, however, there seem to be infinite gradations in Governmental responsibility for meeting the cost of touring equipment; and it is equitable that there should be, for example, a Commissioner would keep a motor car in any case for his use, while a petty executive subordinate might not be able to afford even a cycle — unless he got something towards its maintenance as well as the whole of its capital cost. Government have, however , sufficient experience to determine, for the various grades of its touring officials obliged as a matter of practice to own and maintain touring equipment of all sorts, an equitable monthly sum to recompense them for such expenditure as they would not themselves undertake but for their obligation to tour. It should therefore ~~to~~ be possible, by considering the components in permanent travelling allowance and in conveyance allowance, to isolate

... . for the various.....

for the various classes of habitually touring officers reasonable rates to recompense them in whole or in part for their expense in owning and maintaining touring equipment. The practical difficulty does not lie in dealing with those who habitually tour but with those who occassionally tour and who are therefore under no moral obligation to maintain an appreciable amount of touring equipment. I will deal with this class later on.

4. The second class of allowances covers expenses in moving from place to place on Government duty. In general, what is needed is recompense for "running costs" . All overhead expenses have been covered by the first class, and what needs to be isolated here is a reasonable mileage rate to cover the cost of moving the Government servant, his personal staff and their baggage. I believe that it is now possible to find for each grade of Government servants a flat rate adequate on the average to yield them their reasonable expenses by whatever mode of travel -road, rail or coastal steamer- they actually adopt. If this be possible, and the antiquated "five mile radious" be abolished, a Government servant would be paid so many annas for the number of miles he travelled during a tour on official duty, as approved by the superior authority that countersigns his bill.

5. The third class of allowances is that covering the differential costs of subsistence and accommodation away from home. The present daily allowance covers in a vague way a multitude of other touring expenses such as short journeys during tours and some incidential contribution towards touring equipment. What is wanted is an allowance that covers only the differential expenses of halting away from home. What the pitch of that allowance should be for the various grades I leave to Government to determine, noting only that the appropriate rates must be somewhat lower than the present daily allowance. My method of application of this

subsistence allowance is to give one quarter of the new daily rate for every six hours or part thereof exceeding four hours necessarily spent outside headquarters on Government duty. An absence of under six hours does not necessitate taking meals, servants or camp equipment away from headquarters; and therefore no compensation is due.

6. These three classes of allowances cover the ordinary touring officer's needs. There is, however, one class mostly petty executive subordinates- who move about habitually on Government ~~business~~ business but cannot properly be classed as touring officials. Their function is mainly outdoor supervision within a limited radius not at present ~~entitling~~ entitling them to daily allowances. This class can best be dealt with by dividing their present conveyance allowances between a touring equipment allowance and a consolidated mileage allowance, the latter merging in the former in the commonest class, viz the cycle allowance.

7. Tentage allowances seem a relic of a by-gone age. In this Presidency tents seem how to be seldom used except to supplement inadequate accommodation in Government Rest Houses. Apparently those officers who own suitable tents are given so much monthly to maintain them. If Government wish to continue this else where absolute practice, these monthly sums could be included in the individual officer's touring equipment allowance. It would ~~seem~~ seem simpler however, that Government should buy from the officers the tents they still require to be maintained for official purposes. and rent then out to touring officers as required on the same terms and conditions as they now charge rents for ccommodation in Government rent Houses.

8 If the sustem I advocated were adopted all officials who habitually tour would receive aompensation thus:—

(a) A ~~monthl~~ Touring equipment allowance fixed throughout the year for each grade and type of touring officer and disbursed with his monthly pay bill.

(b).....

(b) A monthly travelling allowance bill consisting of these two components. (i) 'X' miles travelled on duty to and from his place of official work (i.e. office or court) (other than journeys to and from his home) at 'Y' annas a mile; and (ii) a payment at the daily rate divided by four for every six hours of absence from his headquarters during the month, less all periods of absence of less than four consecutive hours each. Almost all certificates could then disappear from travelling allowance bills the controlleing officers would check the distances and periods; the rates for travelling and halting would be universal in the class or grade; and the resulting bill simple to calculate and simpler to audit. There would be no need to enquire how the Government servant travelled or in whose company, or what his actual expenses were, because the rates would be so fixed as to give on the average actual expenses only. The controlling officera's signature would mean that he accepted the accuracy of the distances and the reasonableness of the periods spent on tour ; and both he could check from the tour diaries most subordinates submit monthly.

9. I now offer suggestions as to the fixing of flat mileage rates allowing first and second grade officers one servant and all grades a small allowance for baggage. Railway fares for the four grades of accommodation are respectively two annas, , one anna, 7½ pies and 4 pies a mile. The expenses of road transport vary infinitely; but the motor bus and mottor lorry services - that now pervade the Presidency charge in general rather less than the Railway third class fares; and the "running costs" of a serviceable motor car do not exceed two annas a mile. I therefore propose these rates for the four grades of Government servants:—

1st Grade	2½ Annas.
2nd ,,	1½ ,,
3rd ,,	1 anna
4th ,,	½ ,,

In the.....

in the belief that if habitually touring Government servants are given in addition the touring equipment allowance which I recommend, they will neither gain nor lose appreciably by these rates.

10. A certain difficulty, however, arises in the case of those officials to whom, because they do not habitually tour, no touring equipment allowance could properly be given,. These officials, when touring by road, may have to hire conveyances in whole or part; and the rates proposed may seem inadequate. For the four grades of this class, I should allow therefore 3½; 2; 1½; and ½ anna a mile. I give progressively less addition because the possibility of using public conveyances increases with lower status.

11. I find it more difficult to suggest suitable rates for halting allowances. Probably, a reduction of 20 to 25 per cent from the present rates of daily allowance would suffice to eliminate all elements in that allowance other than the differential expenses of subsistance and accommodation outside headquarters. Where Government servants have to take a mass of camping equipment with them at the begining or end of tours, I should extend the system of paying from office contingencies the actual expenses of transport now allowed to certain officials of administrative rank in like circumstances.

12. I am aware that the reform I advocate means a revolution in practice and a good deal of initial work in getting the scales of allowances perfected. I feel however, that these changes must come some day, and that the initial work will be more than compensated for by the saving of time and money resulting from the simplicity of the new system. Moreover, officials will see that they are being logically compensated for the various types of expenditure they must incur, and will be less tempted than now either to tour for personal profit or to shirk touring because they think they get insufficient compensation

under the existing permanent travelling allowance system . The abolition of the five mile radius will remove a frequent source of dispute, and it will still be possible to ~~cons~~ consolidate mileage allowances for that class of officials who are employed in peripatetic inspection duties with-in a short distance of their headquarters. I shall not elaborate the note any further until I know that Government are interested in this Scheme, when I can make available a mass of information collected in this office; incidentally, statistics taken from r epresent-ative travelling allowance bills show that this system will not cost appreciably less or more than the existing system.

Sd/- W. R. Tennant,
Accountant General.

U.O.R. to Finance Department, Bombay.

No. H. A./20, Bombay, the 18th May 1937.

Evrv.

(Below copy of the Accountant General's Unofficial Reference No. H. A. /20 dated 18th May 1937 with accompaniment).

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No. 1922/33/7864-C.

Finance Department.

Bombay Castle, 7th July 1937.

Forwarded to all Heads of Departments with a request that their views on the scheme proposed by the Accountant General may be communicated to the Finance Department through the Administrative departments of the Secretariat concerned.

2. The Departments of the Secretariat (except the Separate Department) are requested to offer their comments on the Accountant General's proposal after considering the views of their respective departmental heads.

By order of the Governor of Bombay.

For Secretary to the Government of Bombay,
Finance Department.

Evrv.

Travelling Allowance:
Journeys performed by officers in conveyances borrowed from their friends.

GOVERNMENT OF BOMBAY.

Political and Reforms Department.

Circular No. 2214/34.

Bombay Castle, 5th February 1938.

CIRCULAR OF GOVERNMENT.

It has been brought to the notice of Government that some Government officers have been performing extensive road journeys in borrowed motor cars. Government consider that such extensive borrowings are likely to compromise the officers in the due performance of their official duties and accordingly direct that the borrowing of conveyances by Government officers, particularly from persons who are subject to their official control, should be avoided save in very exceptional circumstances (which should be reported)

By order of the Governor of Bombay.

G. WILES.

Chief Secretary to the Government of Bombay ,

Political and Reforms Department.

L. P. & R. H. 72

To

The Secretary to the Governor,

The Secretary to the Bombay Sind Public Service Commission.

* The Prothonotary and Senior Master, High Court, Bombay,

* The Registrar , High Court, Appellate Side, Bombay.

The Accountant General, Bombay,

All other Heads of Offices under the Several Departments of the Secretariat,

All Departments of the Secretariat.

* By letter.

No. of 1938.

Copy forwarded for information and guidance to.

Submitted for information. Recd. 21/2/38

Evrv. A. J 7+R
d.S. D.S
Secy 22/2

255/36
10100

No. 255/36-E.
Public Works Department.
B. C. , 9th May 1939.

Memorandum.

Subject:-- Maintenance of horses by officers for touring purposes.

,,,,.....

With reference to his letter No. 2261, dated the 22nd April 1939, the S. E., D. I. C. is informed with compliments, that Government considers that the maintenance of a horse, in addition to a motor car, by the Asstt. Engr. in charge of the Pandhara Sub-division of the Nira Canals Division is necessary on administrative grounds for the purpose of effective inspection. The cost involved during the year 1939-40 on account of the grant of horse allowance to the Asstt. Engr. in charge of the Pandhara Sub-Division, should be met from the grant placed at the disposal of the S. E. under T. A. (Voted.).

D. A. Nil.

By order of the Governor of Bombay,

Copy with a copy of the letter under reply to the F . D. and the A. G., Bombay (through the F. D.) for information.

Id/-
4-5-39

Id/-
4-5-39.

H. M. P. W. D. 5/5

Evrv.